Sarantis Group's Full Year 2025 Financial Results

Conference Call

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***Conductors*:**

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Conference Call Conducted by Chorus Call Hellas

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OPERATOR: Ladies and Gentlemen, thank you for standing by. I am Maria your Chorus Call operator. Welcome and thank you for joining the Sarantis Group conference call and Live Webcast to present and discuss the Sarantis Group's Full Year 2025 Financial Results.

With us today we have Mr. Ioannis Bouras, Group CEO and Mr. Christos Varsos, Group CFO. At this time I would like to turn the conference over to Mr. Ioannis Bouras, Group CEO.

Mr. Bouras, you may now proceed.

BOURAS I: Thank you and good afternoon, good morning everyone. Thank you for joining our call today about our Annual Results of 2025. As we are starting this presentation, we are having couple of slides as a reminder of our scope of work, our strategy, and of course our main priorities as a Group. Nothing has really significantly changed over the last period around our scope of work, our advantages as a business, and of course our strategic priorities.

The only thing that I would like to highlight is that on our scope of work, the selected international markets on beauty, the performance has been exceptional in 2025 and I have a special slide on that one to explain a little bit how we're doing in markets outside of our Central Eastern Europe territory. Other than that, the remaining of the topics remain the same.

So if we move to our main categories, just reminding you that beauty, skin, and sun care category is a huge focus for our Group for disproportionate growth. This is the category, of course, that international business development is mainly focused on. Personal care is a core profit generator for us with love brands in our territory.

Home Care Solutions, a significant growth driver for Sarantis Group and a category that in 2025 has received from our Group significant support in terms of CapEx investments, integration with Stella Pack in Poland, continuation of integration and completion of significant number of projects related to our cost of goods and supply chain continuity for the future.

Strategic partnerships is a big part of our business. We continue progressing nicely here, both top line and bottom line, and of course as just to remind you that on this part of our business, we are focusing on a fewer and bigger and more strategic partnerships versus the past.

So we had a very solid performance in 2025 from a revenue point of view. We say we are broadly in line with last year. Later on you can see details per category of course and of course the top brands and how we are moving on with the top brands and top categories point of view. There was a pressure on gross margin related to significant pressure from promotional activities throughout our territory.

However, we managed to grow our EBITDA by 9.1% to 89 million and significantly improving our EBITDA margin, as you can see. And respectively our EBIT growth by 10% and again another improvement in our margins as well. And that is a much better net profit growth by 15.3% and again a higher growth of margin, confirming that as a Group, as a team, we are working behind all elements of the business even in a tougher situation, how we are controlling our costs and our activities towards value creation.

Of course, the proposed dividend for our shareholders is 25 million, which is +25% versus previous year and this is 47.1% of net profit, which is higher versus last year, that was 43.5%. I think this is a good evolution also for our shareholders. Moving on to our categories, as you can see as always we are presenting our core categories and related to our strategy.

You see a significant growth happening on beauty and skin, and this is also supported from our international business development, 21.3% to EUR73 million. Personal care has faced significant pressures but related mainly to two reasons. One is the performance of specific countries and the second one was competition intensity and promotional intensity in our region.

Home care solutions, one of the same. We have some countries that suffered this year due to economic conditions of the country and specifics. Private label, as we explained before, private label is complementary and supports our supply chain capabilities in home care solutions. Part of our business is to rationalize contracts that are not producing profitability for our Group.

And as we said always, we try to grow our branded business versus the private label in garbage bags because this is the business that we are doing private label here. Strategic partnerships, we have a good growth of 4.6%. This is happening for two reasons. One, we have some new partnerships in specific markets, but also focusing on fewer, more strategic partners as we said, through the innovation agenda of our partners we have some successful initiatives in our markets.

One thing I would like to point out on the right hand side of the slide, you can see that our branded business as a Group grew by 1.5% while the private label -14%, resulting a flat top line growth versus year ago. But as you already know, one of our key priorities and strategic intent is to support our HERO portfolio, HERO brands.

So as you can see there, the top 15 HERO brands of our business growing by 3.4% and this is for us important topic, confirming that our strategy, our investment priorities, and our innovation is working and doing very well in our markets that we operate.

Now coming to international expansion, we have some very good momentum over here. As you can see, the results of our international business surpassed the EUR30 million, EUR30.8 million. And the majority of the growth is happening via our Carroten sun care brand, that now is having a good traction in multiple markets, and mainly of course in US, where in US, just reminding you, we have a big launch last year in Target as a physical distribution but two years ago in Amazon well. So we have a good momentum.

Now as we speak in 2026, we're expanding our distribution in terms of products in, in the same channels. And overall the 2025 was a fantastic year in terms of growth, launching of the brand, activation, engagement with consumers in US, resulting very good growth for us as well.

At the same time, we had a new listing of Carroten in one of the biggest retailers in Australia, which also had a positive impact to our sales. And the good thing is also from a market shares point of view and output is a positive as well. We have also made it initial steps in Middle East in Saudi Arabia and United Arab Emirates, but at this moment in time, this business is much smaller than the rest.

We believe though that although the current situation, the potential of the region is good for us and our brand. The good thing for us is that Carroten brand is growing nicely everywhere we do activities, even in our current territory in Central Eastern Europe because Carroten is a leading brand in Greece and markets in Balkans, in Balkan countries.

But we see also the brand is having a good momentum and good traction in every market that we start and launching and activating. So this is very promising for the future as well. And of course for 2025 had a significant impact in terms of results for the whole Group.

Now regarding our geographies, as you can see here, we were discussing in the past that selected international markets was part of the Greek business. Now we can see separately here the impact. So overall the markets, we have a mixed picture. Greece, I would say quite positive in a market that things are quite competitive and Sarantis Group has a significant business here and with leadership position in many of the categories.

Selected international markets, I just mentioned before. Poland has impacted mainly from the private label and you will see later some details on that. Romania has faced significant pressures this year as a market. So that was a result of a drop of top line. Czech Republic, Slovakia, and Hungary, very robust and solid performance, growing nicely 7.7%, which is very positive for us, which is significant markets for Sarantis Group.

West Balkans also felt some pressures, mainly on Serbia, and this is related to some specific situations in the Serbian market that impacted consumer demand. Bulgaria has a positive growth. And Ukraine has been – it is the fourth year in the war -- suffered from a consumer demand point of view. However, I would like to point out that here if you go like-for-like performance is -4.8% because we have discontinued some business from that we have inherited from Stella Pack focusing primarily on private label.

So this is from the performance of sales point of view. But at the same time, 2025 has been a very busy year for the whole Group. A lot of work from teams in Sarantis Group in multiple parts of the business. The one part related to digital transformation, so just to let you know that we have implemented our new ERP system and digital transformation almost 80% of the business right now.

The only countries remain to be implemented is Poland and Ukraine, which is going to happen next year for Poland. New integrated business planning is completed. And of course we have a lot of new digital tools that supporting our strategy, our agenda, and of course efficiency and simplification of the business.

Many of these benefits that we have invested in 2025 expected to be available for our people and our organization in 2026 and this is where we are working right now to getting the benefits of all this investments. At the same time, we have completed a massive CapEx manufacturing upgrade in Stella Pack as we have completed by the end of 2025 all the re-granulation upgrade.

And now we are working on getting the benefits and the savings in this -- through these investments, via these investments. And on top of that, create a bigger safety risk avoidance level for Sarantis Group related to plastic, garbage bags, and end-to-end supply chain that we are creating in Poland. And I have to say this is one of the best in Europe right now, a very good asset for our future growth and the profitability for this category, which is very strategic and critical for us.

At the same time, we have 50% completed the expansion of Oinofyta plant capacity growth to support our growing beauty and skincare business especially and of course the international expansion as I mentioned before. So this program has almost been completed. Few things are left for 2026 and I think this is a huge priority for our Group, for our people is to get the benefits out of this investment and this is also reflected in the guidance that we have for next year and the margins that they are improving as well.

So this is I think -- have another one? Yes. On the ESG performance, we have done a work around our ESG footprint in 2025. We have -- it was the first year of implementing our plan of reduction of scope 2 and scope 1 CO2 emissions. We are quite on track. We have a commitment to drop by 42% by 2030. We are fully on track on that. And at the same time, we have improved significantly our ESG ratings supported by this business plan execution. And of course, we have started engaging with ESG ratings to achieve that. So I think a lot of progress happened on this field from Sarantis Group.

I would like to hand over to Christos right now to give us a little bit more details on the financial performance. Christos?

VARSOS C: Thank you, Ioannis. Let me now provide some details behind the key numbers that Ioannis described. Our net sales came flattish compared to 2024. As per our strategy, the focus was to disproportionately grow our beauty, skin and sun category, which influenced favorably the mix of sales and supported strongly our profitability. Our gross profit declined by 1.7% with the gross profit margin declining by 59 bps to 37.1% due to softness in specific markets as Ioannis also described and intensified promotion pressure in some other of the categories.

EBITDA grew significantly by 9% to 89 million, leveraging on the mix of categories of our core portfolio with strong growth as mentioned our beauty skin and sun care category supported by our export business, which has higher margin. Rationalization of private label contracts which had low or negative margin, especially in the Stella Pack in Poland. Cost benefit from the initial phase of commercial integration of Stella that happened in 2024 and cycled well in 2025, while controlling OpEx overall in our business.

EBITDA margin grew by 124 bps coming to 14.8%. EBIT at 67 million and a 10% increase versus 61 million last year and EBIT margin of 11.2 million, an increase of 100 bps. Financial expenses in 2025 improved more than 65% following the early repayment in the last quarter of 2024 of almost 18 million of debt, combined with lower interest rates.

We continued repaying early debt from September 2025 onwards, which also gave us a benefit. We will continue in 2026 repaying earlier debt supporting further improvement in our EPS moving forward.

Following the improvement of financial expenses, our earnings before tax grew by almost 16% to the record of 65.6 million from 56.7 million in 2024 and earnings before tax margin grew by 149 bps to almost 11% from 9.5% last year. Net income at 53.1 million, up by 15.3% versus 46 in 2024 and earning per share at EUR0.83, a 17% increase to prior year of EUR0.71.

Moving now to our product categories, so you can understand more about the dynamics of the 2025 year. Beauty, skin, and sun care. As we have already mentioned in our 5 years plan, achieving disproportionate growth in the beauty, skin, and sun care category is a key pillar where we build our organic growth strategy.

In 2025, we grew by 21% to 73.1 million, supported by our sun care sales that continued accelerating this year with the help also of our export business. Category EBIT almost doubled with 98% growth and EBIT margin grew by 931 bps to almost 24% affected by the mix within the category.

Personal care. In terms of personal care, which is a core profit generator for us, we had a decline of 3.8% of net sales compared to prior year as we faced intensified promotional activity from our competitors, which impacted our sales for the category. However, EBIT came at 17.5 million, close to prior year, with EBIT margin of 15.6a marginal improvement compared to the prior year.

Home care solutions declined by 3.3% to 205.5 million, affected by pressure in some of our markets like

Ukraine and West Balkans, which are mostly represented in this category, and Romania due to local market conditions. EBIT declined by 8% to 22.1 million, largely affected by the softer sales mentioned and the integration expenses of Stella as we are optimizing our supply chain network while we continued investing heavily.

The real cost support from the optimization the new investments will be benefiting the Group from early 2026 as Ioannis already mentioned. Private label sales were mainly impacted by a continuous rationalization of the private label products portfolio, especially in terms of Stella Pack contract. Sales dropped by almost 15% to 51 million with EBIT being a 1.5 million.

We expect that the completion of our CapEx investments in regranulation lines will support us not only to be more cost efficient, but also will improve our overall competitiveness both for our private label and branded portfolio for 2026 onwards.

As mentioned in the past, we use private label on a tactical basis to absorb costs from the branded business and we will over time increase branded business and decrease the private label portfolio as it was the case for this year. However the largely -- the large portion of the rationalization of Stella Pack portfolio has been completed and only smaller things will remain for the future.

In strategic partnerships, finally, we had a healthy performance increasing our sales by 4.6% while improving at -- our EBIT by 15.3 to 11.4 million, improving also our margin more than 7%. As mentioned in the past, we use the category for market leverage and we are focusing on fewer and better relationship, a strategy that already brings improved margin.

For the total group, we had the solid net sales performance of the 600 million and EBIT I remind you grew by 10% to 67 million and EBIT margin grew by 100 bps.

Now turning to our geographies. As discussed in the past, we wanted to share with the investors community the different dynamics outlining our performance. Thus, from now on, we will show the selected international markets separately from our Greece domestic market as a separate business unit.

For Poland, we continue showing total Poland, but splitting also between branded business and private label. Finally, from end of 2025, we move the managerial responsibility of our Hungarian business unit under Czech and Slovakia, thus we will be reporting them together from now on with the comparatives also reflecting this.

Greece domestic business net sales showed growth posting an increase of 1% with EBIT of 18.7 million, a 12.3% increase to prior year and 12.2 margin, an improvement of 123 bps affected by mix of categories and cost control. In selected international markets, we grew by 60% to almost 31 million and EBIT to 11.2

million which is more than double compared to prior year growing by 122.5%.

As you see, exports have higher EBIT of 36.3% and that is why we strongly believe in this segment as an accelerator to our growth for our 5 years plan. In our 5 years plan when we communicated, we said that we were expecting to reach the 30 million bracket in 2028, but we have achieved this already 2025 with our focused execution as Ioannis already mentioned.

In Poland, the total business had net sales of almost 176 million, a 4.7% decrease versus prior year, with EBIT also declining affected however mainly by the private label portfolio.

The branded portfolio, although declined in terms of sales by 2.5% to 125 million, the EBIT improved by 4.8% coming to almost 11 million with an improvement in margin as well. The major driver for the decline in Poland was the private label sales declining by 9% on the back of the rationalization already mentioned of contracts especially in the Stella portfolio with EBIT also posting a loss of 1.5 million.

In other territories, we had a mixed picture driven by specifics in each country. Romania had a weak year with 94 million of net sales, a decline of 5% versus prior year, cycling also strong performance in prior year. In terms of EBIT, Romania achieved almost 14 million representing a decline of 9.5% with flattish EBIT margin almost at 15% below by 74 bps to prior year.

Czech Republic, Slovakia, and Hungary accelerated growth for one more year by adding almost 8% more net sales reaching 64 million with EBIT of 7.5 million, an 11% increase prior year. In terms of EBIT margin, this improved also reaching almost 12%.

West Balkans showed a decline in the net sales of 5% to 38.5 million, mainly impacted by the Serbian market with unrest in the first part of the year and market pressure in the second part of the year. However, in terms of EBIT delivery, West Balkans managed to come flat to 3.9 million with marginal improvement in EBIT margin supported from cost control.

Bulgaria continued on its growth trajectory growing sales by 5% to 23 million and improving EBIT by 5.6% to 3.2 million with marginal improvement also in EBIT margin to 13.8%. For Ukraine, it's another year of pressure and the results -- in the results as already identified from our half year results discussion.

However, Ukraine specifically was also impacted by the sale of Stella Ukraine completed at year end last year. Stella Ukraine, I remind you, had 2.9 million of sales in 2024 and 200,000 EBIT. Without this impact, on a like-for-like basis, the impact will be smaller, but still in negative territory.

As mentioned, we are working with resilience in Ukraine and expanding our portfolio outside the home care, which is still the leading category in our business in Ukraine. Moving now to our healthy and very strong balance sheet.

As we have discussed also in the past, we maintain a strong balance sheet which can support our organic growth, the next steps of our transformation agenda and potential M&A activities. As of 31st December 2025, we had a robust financial position with net cash of 23.5 million versus net debt of 8.5 million on December 31st 2024.

I remind you that due to seasonality our lowest cash position is on 30th of June, whereas the best is on 31st of December. This is evident on 31st December 2025 as the net cash position implies a positive swing of cash from 30th of June to the year end of more than 55 million despite CapEx investments and early repayments of debt.

In January 2025 we have also received the 20.6 million installment from Estee Lauder from the sale of the JV with them with the final one installment expected to be January 2028 for similar amount. From September 2025 we have made early debt repayments of almost 16 million reducing our financing expenses and enhancing further our EPS.

We will continue this strategy in 2026 as well on the second part of the year. In 2025, we have improved our operational working capital by 10 days, releasing further cash to the business and supporting strong free cash flow generation despite the highest ever investment in CapEx in a single year, which reached more than 37 million.

In 2025, we achieved free cash flow of almost 80 million, more than doubling the free cash flow generation of 2024 of 33 million. Enhancing our shareholders' value is key for us. EPS reached $0.83 from $0.71 last year, an increase of 17%.

Based on our strong profitability growth and cash flow generation, the board will propose to the AGM a dividend of for 2025 of 25 million, a 25% increase versus 2024. This represents a 47% payout compared to a 43% payout ratio in the prior year and 38.2 payout ratio in the year before.

I would like now to provide an update and a CapEx update for this year and expectation for the next. 2025 we finished the year with 37.3 million invested in CapEx as mentioned also previously in our guidance, supporting our digital transformation, our granulation expansion in Stella and our Oinofyta plant expansion setting the foundations for our future growth.

Since our five years plan communicated, we have invested already '24 and '25 the amount of 55 million for enhancing our business operations and we continue investing strongly in 2026 as well. With the regards to the distribution center in Oinofyta, although we were ready to commence the project, we are now evaluating other alternatives to cover our business growth we presented recently, thus we have removed it from our investment plan for the time being.

Thus our 2026 guidance is based our new investment plan. In total we expect to invest EUR20 million in 2026 in the last wave of our digital transformation in Stella Pack and concluding our Oinofyta plant expansion that started in 2025. Overall in the five year period, we plan to invest EUR95 million or 17% more compared to initial plan communicated in our Investor Day of EUR81 million.

Finally, we would like to provide our 2026 outlook. Net sales as you all know were rebased in 2025 and we now expect growth moving forward. In 2026, we expect net sales to grow by 3.4% compared to 2025 or EUR620 million. In 2026, we will get the benefits from the investment that have been completed already in regranulation digital transformation both impacting favorably on our costs.

We will also continue our expansion in selected international markets in our markets with our core categories supporting further the mix. We expect therefore 97 million EBITDA and improved EBITDA margin of 15.6% improved by 76 bps compared to 2025. This is growth of EBITDA for another 9% compared to this year. As already mentioned, CapEx expectation for 2026 is 20 million. In terms of free cash flow, we expect it to reach 63 million for 2026 driven by increased profitability and working capital improvement.

Overall, despite the challenging macroeconomic and geopolitical environment, we continue executing our five year plan and we are focused on achieving in full our target of delivering 120 million EBITDA on 2028 which I remind you will be double compared to 2023 that was the base year. Thank you.

OPERATOR: The first question comes from the line of Makedou, Thaleia with Eurobank Equities. Please go ahead.

MAKEDOU T: Good afternoon and thank you for taking my questions. I have two questions if I may. Firstly, could you elaborate a bit on the main drivers supporting your execution going forward, especially in terms of product mix, pricing, and promotional intensity across Greece and your international markets?

And secondly, could you comment on potential cost risk given the current geopolitical environment especially regarding raw materials, energy, and logistics and how these might affect margins going forward? Thank you.

BOURAS I: Thanks for the question. The first one is a big question so I'm not 100% sure I can answer on this call. For us from the mix point of view, I think the fact that we are focusing on our beauty and skin sector that is the highest margin as you can see from presentation, this remains. And of course, 2025 was a year regarding the rest of the categories that have been very active in terms of promotion, in terms of activation in the stores, and this will continue. We don't expect 2026 to be completely different.

At the same time, just to give you another one that maybe you don't know or is not visible in the presentation that over the last three or four years, we have increased our brand building investments on media investments and support on the brands more than 50% meaning that all the growth or all the support we see around the brands is happening across the Board, whether it's a promotion, whether it's activation in store, whether it's extra distribution, extra visibility, but also consumer investments to support the brand building and the equity of our products.

So we don't expect there to be any significant difference and in our work, it's a daily it's a daily fight, it's a daily work with the customers, with the consumers and this is where we are going to continue this year. Regarding the geopolitical situation right now because of course things are changing on a daily basis. Of course when you have this situation, you expect to have an impact on whatever is related to oil prices, transportation, and logistics cost.

At this moment in time, we have a team internally assessing all the risks including myself, including all the executive team and day by day we try to figure out and frame what will be our activity plan and our actions around the current geopolitical situation. Today as we speak, definitely there are categories that been affected by the increase of the oil prices.

And from our point of view, there are three -- we're going to work on three axes. One is the cost of our business, which is always a focus for us. The second thing is our promotional mechanisms on how we're going to work in the market and how we're going to adjust compared to the past.

And the third one is a dual thing. One is just what will be the prices in the market, whether we need to increase of course prices in the market, this is always something we have to keep in mind depending on the on the raw material growth.

And the second thing is on this is the all the investments we have done, executed in Poland, especially on the part… of a big part of our business which is garbage bag, that is giving us a lot of ammunition and flexibility to control much better our costs control compared to the external environment.

Because the raw material of our new facilities in the garbage bag is consumer and industrial waste, which is not entirely affected by the current geopolitical risks and issues in the Middle East. So, these are.. we have elements in place and of course always adaptability and agility from the team is critical in order to respond to the current situation.

OPERATOR: Thank you. The next question is from Mr. Zouzoulas Konstantinos with Axia Ventures. Please go ahead.

ZOUZOULAS K: Thank you. Thank you for taking my call, congratulations for the results. Few questions from my side. If we focus on Greece, the 1% growth of the market and you mentioned there is some pressure, some competition there building up. But on the other hand the EBIT margin is much stronger. What we should expect going forward both in terms of growth of the Greek market but also margin evolution? This is my first question.

BOURAS I: Yeah, regarding Greece, just to remind you that Sarantis in Greece has the most diverse portfolio of all countries of our all countries. So it's the biggest business in terms of consumer base and of course all the categories and diverse portfolio.

One thing that we're doing in Greece quite successfully, I would say, is that we're prioritizing the strategic portfolio, the hero brands that I mentioned before. And this is resulting sometimes more moderate growth. But if you see within categories, the strategic categories are growing nicely and we are growing share.

And that is the reason we have a better margin and better result in terms of profitability. So, this is what is happening. Going forward, we are going to continue the same strategy. We are not going to change that.

Because this is the primary objective is to grow the business in a health way and a more margin enhancing way. So, this is what we're going to do in Greece and all countries that we operate.

ZOUZOULAS K: All right, thank you. You said all the countries that you are operating. But if we focus on Poland, now you are operating Stella Pack for one year, you took strategic decisions for private label and products and everything. What opportunities do you see in this market?

BOURAS I: Poland is now from a top line point of view is the biggest market we have in the group. However still far behind Greece in terms of profitability. Definitely the investments we have done in Poland, the majority of the benefits of the investments we've done in Poland will be giving improving the profitability in Poland definitely.

However, what we see in Polish market although the although the microeconomics of Poland are positive, in terms of consumer demand and competitiveness in the market, things are much more difficult. So I think with the new investments, the new cost base of our business and our activation plans we have for 2026 we expect a better result of course and this is what we are aiming for.

Also, to remind you that Poland is more towards the home care solutions category and less on beauty and personal care. So this is affecting the overall margin of the country.

ZOUZOULAS K: Right, thank you. And the last question has to do with exports. My understanding is that the focus for exports will be the US market for 2026 and onwards or you choose to do similar push in Australia as you mentioned and the other markets?

BOURAS I: Currently as we speak, the majority of course the exports in US is a big part of the of the business and of course is the biggest market. Definitely US will be a huge priority for us, but Australia is also there. We are also there and we continue to be there and pushing and working on the expansion of the business.

Middle East is a starting as I said but of course there are good prospects for the future. Philippines we still are with skin care we are there and very strong position and we continue on that. And now as we speak what we see a good traction on Carroten brand and as we speak we are working on expansion of Carroten brand in other markets whether is in US like Mexico or Latin America, all other Western European markets that they are very attractive from sun care category point of view.

So definitely US is a huge focus and priority. But also, we are exploring other markets and other opportunities in the rest of the world. So for us the ambition is Carroten to be a real big international brand.

ZOUZOULAS K: Great clear. Thank you very much.

OPERATOR: There are no further audio questions. We will now accommodate any written questions from the webcast participants. The first question is from Victor Le Boulenger with LFDE. Could you please comment on your current cash position? Given your cash, are you prioritizing a new acquisition or are you potentially considering SBB in 2026?

VARSOS C: Thank you very much, Victor, for your question. With the current cash position as you imagine we continue focusing on working capital improvements towards next year as well. First of all, we are giving based on our current cash flow we increased the dividend payout this year.

Obviously, we will continue monitoring the markets as we have said for bolt-on acquisitions. So that's something that has been traditional in our strategy and continues being there. And obviously share buyback, we have an approved share buy program for last 2 years and we will continue using and we will continue doing share buybacks as we have been doing in the past.

So in all respects, we continue, it is a very as you have noticed as well, it is a very free cash flow generative business and we make sure that we make the best usage of our cash moving forward, supporting our shareholders as always. Thank you.

OPERATOR: Thank you. The next written question comes from John Kalogeropoulos with Beta Securities. Two questions if I may. One, dividend policy will continue on the 2025 remuneration path, meaning payout in the tune of 40% to 45% to 50% or return to the 40% area? And two, how likely and when do you see a change in your core 5-year business plan presented back in 2024? Thank you.

VARSOS C: Thank you, John. Thank you very much for your questions. Dividend policy as we have said, the policy per se is that we pay and have paid we said that will be paying as a minimum around 40%, 38%, 38.5% when we actually set the policy 3 years ago. So we continue being in this direction.

Obviously, when as last year and this year, when the cash the cash generation and the profitability allows us, we can give even more. So the minimum policy is 40%, but as you have seen we keep rising, we rose this last year and we continue rising. So based on the circumstances and the cash flow generation we can always pay something more. But -- let's say policy wise is minimum 40%. We moved for 43, we moved for 47 now, so you I think you'll be able to see this on year-in year-out in the future.

Regarding the 5-year plan we presented 2 years ago, I think this is a crucial year in many senses as it is the third year out of the five. So in order to update this, we need -- we think that we need to have something like a catalyst or a catalyst event or and this potentially after we finish this year, we will see whether we need to update it or we continue on the same topic.

So I think it could be an option either end of this year or early next year that we could be updating. We will be at that point will be three years in a five year plan, so it will be good to provide an update given the circumstance at the time.

BOURAS I: But as we speak right now, just to add here, that we are keeping the guidance for the 120 million EBITDA end of 2028. There might be some adjustments in terms of top line, but from the EBITDA point of view we are keeping as it is.

VARSOS C: So practically we're talking about large higher margins as we move on based on slower net sales given that we rebased 2025.

OPERATOR: Thank you. The next written question comes from Dimitrios Giannoulis with Research Greece. Good afternoon. What sales growth do you assume for Poland, Romania and selected international markets in 2026? Thank you.

VARSOS C: Thank you, Dimitrios, for your question. As you know, we do not provide individual guidance per country. So this time I cannot be able -- obviously we have overall sales increase next year of 3.4% and each country especially Romania that starts with a lower base and Poland we expect growth. But I wouldn't, as we discuss, we don't provide guidance per country at this stage, so only the total.

OPERATOR: Thank you. The next written question is from Emmanuel de Figueiredo with LBV Asset Management. Could you please comment about the first two months of 2026? Have they been in line with the end of 2025?

BOURAS I: Going back by month, it's quite difficult to comment right now. We have not.. we just closed our second month. But in any case we are coming back with the First Quarter in April. So we come back with more details on that in that perspective. What we are expecting right now is of course we put the guidance and this is what we are looking for, but of course more details will come in the following months in April with the First Quarter.

OPERATOR: Ladies and gentlemen, there are no further questions at this time. I will now turn the conference over to Management for any closing comments. Thank you.

BOURAS I: Well, I think we…. Thank you for all the questions and attending the call. Thank you for understanding and the nice questions. No further comments from our side. We continue our strategy, we continue our journey.

A lot of excitement is coming through, a lot of challenges are coming through as you can imagine. This is our nature -- this is the nature of our business. And of course as a team we are all committed to supporting the business agenda and committing also the numbers that we have put out there throughout the last period. Thank you again for attending the call and talk to you soon.. in the next call, right?

VARSOS C: Thank you. Thank you very much.